

7<sup>th</sup> September 2011

## **ASX & Media Release**

### **Shareholder update**

Dear Shareholder,

This is my first advice to you since being elected Chairman of your company on 2<sup>nd</sup> August 2011 following the retirement of Mr. David Carter. On behalf of shareholders I thank David for his willingness to return as Chairman of the company during a troubled period, and for the leadership he has provided during his term of office.

Shareholders are aware that the Directors of TSV Australia Pty Ltd, a subsidiary company, placed that company into Voluntary Administration on 30<sup>th</sup> June 2011. On 30<sup>th</sup> June 2011 your Directors requested the suspension of trading in TSV Holdings shares on the ASX. At a creditors meeting on 4<sup>th</sup> August 2011 the creditors of TSV Australia Pty Ltd voted to place that company into liquidation.

The Directors of TSV Holdings Limited are working with the company auditors to prepare final accounts for 2011 for the continuing TSV Holdings Limited business, and for the discontinued TSV Australia Pty Ltd businesses. As the liquidation of TSV Australia Pty Ltd is still in progress, your Directors presently expect to have the Appendix 4E and statutory accounts available for shareholders late in September 2011. Directors have asked the ASX to continue the voluntary suspension of trading in the company shares until 31<sup>st</sup> October 2011.

The remaining operating business of the company, Austco Communication Systems Pty Ltd (Austco), continues to trade profitably. Business plans and financial budgets for 2012 have been prepared by management and are before the Board as Directors determine the position and prospects of TSV Holdings Limited for 2012. The company continues to have the support of its bankers and Directors are also reviewing other financing options within the 2012 strategic planning process.

Following the liquidation of the TSV Australia business, Austco remains the sole subsidiary of the holding company, TSV Holdings Ltd. Given the now reduced size and scale of the Group and strong operational and financial management team in place at Austco, it has been agreed that the CEO and Managing Director Mr Geoffrey Wanless, and the Chief Financial Officer and Company Secretary Mr Jason D'Arcy will complete their contracts with the company no later than 30<sup>th</sup> November 2011. The company would like to thank Mr Wanless and Mr D'Arcy for their commitment and support for the company during a very difficult period and understand their desire to pursue wider career opportunities than are now available to them at TSV Holdings. Directors will ensure that the executive responsibilities of these staff members will be covered while 2012 management roles are reorganised. Directors will confer with major shareholders to add new independent Directors to the Board at the earliest opportunity, or at the next Annual General Meeting of shareholders later in 2011.



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No public company Chairman wishes to offer so little good news in a first letter to shareholders. I can say, however, that the recent decisive actions taken by Directors have avoided a very troubled situation having a less satisfactory outcome. The continuing business of Austco is soundly established, with some good domestic and offshore opportunities identified for its developing technology. The task of Directors, and the opportunity for shareholders, is to balance the available resources effectively between the demands of market and technical development. Directors will be in a position to provide a more positive strategy when the 2011 financial accounts become available in late September 2011.

Yours sincerely,

TSV HOLDINGS LIMITED

A handwritten signature in black ink, appearing to read 'Brian Blythe', written in a cursive style.

Brian S. Blythe  
Chairman

For further information please contact Brian Blythe on (03) 8779 5654  
or Mob 0413 150 539 or [bsblythe@bajle.com](mailto:bsblythe@bajle.com).

**About TSV Holdings Limited (ASXCode – TSH):**

TSV Holdings Limited is a public company listed on the Australian Stock Exchange (Code: TSH) The Company is an Australian owned and operated diversified communications specialist providing design, manufacture, distribution and maintenance for growing markets that include health and aged care, remand care, retail and government sectors. TSV Holdings services markets including Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For more information please visit the Company's website at: [www.tsvholdings.com.au](http://www.tsvholdings.com.au)